

25 May 1953

FAR EAST

**KOREAN  
TRUCE**

There is still no evidence that the Communists  
are prepared to abandon their insistence that

the fate of prisoners who remain unwilling to be repatriated  
be left entirely in the hands of a political conference.

Under UN pressure, they might propose, as a compromise, that this question be settled by majority vote of the five-nation

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### **custodial commission.**

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According to Li Mi, two or three thousand of  
BURMA  
his troops in Burma could be evacuated if  
properly handled, but he said he would not assist before the  
Burmese order a cease-fire.

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in Bangkok, the Burmese are still calling ~~us~~ for the withdrawal of all these troops rather than the "hard core" and are opposed to a cease-fire except in local areas where Nationalist troops are actually preparing for evacuation.

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The military situation in Laos is quiet, but  
INDOCHINA

the Viet Minh are believed already preparing for an offensive next fall in this area. The reported arrival of large numbers of Soviet trucks in South China would add greatly to the Chinese Communists' capability to increase supplies to Indochina.

In the Tonkin Delta, Viet Minh guerrilla activity continued to increase during the past week and is expected to become still greater as the enemy attempts to seize a portion of the spring rice harvest there.

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Premier Tam, despite his public protests against French devaluation of the piaster, was secretly elated and said this action had united Vietnamese opinion behind him so he could step up his program for complete independence.

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The manner in which President Quirino gained  
PHILIPPINES

the Liberal Party nomination indicates that he  
may use every fraudulent device to secure re-election. Romulo  
and his supporters may form a third party or line up behind  
25X1 Magmaysay, but their defection weakens Quirino's chances of  
victory.

The new Liberal Party government can hardly  
JAPAN

last for more than a short period unless it can  
gain the cooperation of the other important conservative group,  
the Progressive Party. While the Liberals and the Progres-  
sives have no serious policy differences, both parties are  
hampered by personal feuding and a general resentment against  
25X1 Yoshida.

Communist China's agricultural output this  
CHINA

year will probably fall below the 1952 level,  
with an adverse effect on the regime's industrial construction  
25X1 program.